

DELTA PROTECTION COMMISSION

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**AGENDA ITEM #15**

May 14, 1999

To: Delta Protection Commission

From: Margit Aramburu, Executive Director

Subject: Briefing on Detailed Socio-Economic Analysis of the Proposed U.S. Fish and Wildlife Service North Delta National Wildlife Refuge.
(For Commission Information Only)

Background:

In January, staff of the Service briefed the Commission on the proposed North Delta National Wildlife Refuge. Four different alternatives are being studied, all of which are located in Yolo and Solano Counties. The four alternatives range in size from 7,800 acres to 42,000 acres.

[NOTE: Please contact staff for a copy of the staff report from January's meeting which includes text and maps illustrating the four proposed alternatives.]

Briefing:

As part of the research for the environmental document for that project, the Service retained Jones and Stokes Associates to prepare a socio-economic analysis of the proposed refuge. Attached is a summary of the Jones and Stokes research, prepared by Jones and Stokes. Staff from the Fish and Wildlife Service and Jones and Stokes will present the findings of the study and answer questions at the meeting.

SUMMARY OF THE DRAFT SOCIOECONOMIC IMPACT ASSESSMENT FOR THE PROPOSED NORTH DELTA NATIONAL WILDLIFE REFUGE

A PRESENTATION TO THE CALIFORNIA DELTA PROTECTION COMMISSION

Topics Covered. Local land use policies, agriculture, regional economy, and fiscal environment.

Social and Economic Environment

Local Land Use

Land Ownership Patterns. Study area consists mainly of parcels exceeding 100 acres. Most parcels in private ownership, but several parcels have public or quasi-public ownership.

Williamson Act Contracts. Contracts cover more than 95% of parcels in the study area. Cancellation is automatic when contract parcel purchased by federal agency.

County Land Use Designations. Nearly entire study area is designated for agricultural use. In Solano County portion, nearly all lands are designated as intensive (as opposed to extensive) agriculture. In Yolo County portion, all lands designated as general (as opposed to intensive) agriculture. Thus, from the perspective of county policies, the Solano County portion is considered to have relatively higher agricultural capability than the Yolo County portion.

Agriculture

Agricultural Cropping Patterns, Production, and Production Value. The predominant crop types in the study area are unimproved rangelands, field crops, grain and hay, pasture, and truck crops. Estimated annual crop production value of the entire study area is approximately \$15 million, which is less than 1% of the total combined agricultural production of Solano and Yolo Counties. Cropping patterns and production values are limited primarily by flooding frequency.

Prime Farmland and Soil Capability. Prime farmland accounts for 33% of study area, primarily on Liberty Farms, Moore Tract, and Prospect Island. NRCS soil capability classifications are primarily Class III and Class IV.

Regional Economy

Economic Activities Analyzed. Agriculture, recreation, and refuge management activities were analyzed.

Economic Effects Analyzed. Employment and personal income were analyzed.

Summary. Existing agricultural and recreational uses of study area directly generate an estimated 213 jobs and \$8.6 million in annual income. Including direct, indirect, and induced effects, study-area activities generate an estimated total of 449 jobs and \$16.3 million in annual income.

Fiscal Environment

Assessed Property Value. Total assessed value of study-area properties is estimated at \$25 million, less than 0.1% of the two counties' total assessed valuation.

Property Tax Revenue Generated. Property tax revenue generated by study-area lands was estimated at \$256,000 per year. In Solano County, approximately 44% of the property tax revenue accrues to the county general fund, with the remaining 56% accruing to special districts. In Yolo County, approximately 12% of the property tax revenue accrues to the county general fund, with the remaining 88% accruing to special districts (primarily the Davis Joint Unified School District and the Educational Resources Augmentation Fund).

Williamson Act Subvention Payments to Counties. Estimated at \$161,800 annually.

Environmental Consequences

Alternatives Analyzed

No action and four alternative refuge boundaries ranging from approximately 7,800 acres to 42,000 acres were analyzed.

Key Assumption

The assessment was based on the assumption that all private lands within the refuge boundary would be purchased in fee title and converted from agricultural use to refuge use. This assumption is conservative in that refuge management approaches other than fee-title purchase (e.g., conservation easements or management agreements) are likely to cover an extensive portion of the refuge. Thus, the socioeconomic impacts as described below probably overstate the actual impacts that would result from refuge establishment.

No Action Alternative

No substantial socioeconomic impacts would result.

Alternative 2 ("42,000 acre refuge")

Local Land Use Policies. Refuge establishment would result in the termination of a large number of Williamson Act contracts. Conversion of farmlands to wildlife refuge use would conflict with existing county general plan policies to protect and maintain economically important farmlands, particularly in Solano County where nearly all of the proposed refuge lands are designated for intensive agriculture.

Agricultural Effects. Establishing the refuge could displace up to \$14.8 million in annual crop production value, and could also displace up to 13,063 acres of prime farmland.

Regional Economic Effects. Losses of farm-dependent jobs would be largely, but not completely, offset by jobs generated by refuge management and recreation. The net total (i.e., direct plus indirect plus induced) loss in regional employment is estimated at 31 full- and part-time jobs. Study-area farms and local businesses serving the farming sector would absorb most of the losses in jobs and income.

Fiscal Effects. Annual losses in property tax revenues and Williamson Act subvention payments resulting from sales of private farmlands to the federal government are estimated at \$375,600. All but \$53,700 of this loss, however, is expected to be offset by federal revenue-sharing payments.

Alternative 3 ("7,800-acre refuge")

Local Land Use Policies. Effects would be similar to, but less extensive than, those under Alternative 2.

Agricultural Effects. Annual displacement of crop production is estimated at \$3.7 million, almost entirely in Solano County. Approximately 1,207 acres of prime farmland would be displaced in Solano County.

Regional Economic Effects. Displacement of farm-related jobs would be largely, but not completely offset by increases in refuge recreation and management jobs. The net total regional employment loss is estimated at 28 jobs. Adverse effects would be concentrated in farm-related businesses in Solano County communities such as Rio Vista and Dixon.

Fiscal Effects. Property tax revenues and Williamson Act subvention payments would decline by up to \$22,500 per year, all but \$2,300 of which is expected to be compensated by federal revenue-sharing payments.

Alternative 4 ("33,800-acre refuge")

Local Land Use Policies. Effects would be similar to, but less extensive than, those under Alternative 2.

Agricultural Effects. Annual displacement of crop production value is estimated at \$10.5 million. Up to 8,639 acres of prime farmland would also be displaced, primarily in Solano County.

Regional Economic Effects. Losses of farm-related jobs would largely, but not completely, offset by new jobs in refuge recreation and management. The net total regional employment loss is estimated at 14 full- and part-time jobs. Adverse effects would be concentrated in local farm-related businesses.

Fiscal Effects. Property tax revenues and Williamson Act subvention payments would decline by an estimated \$240,000 per year. All but \$30,300 of this loss is expected to be offset by federal revenue-sharing payments.

Alternative 5 ("14,800-acre refuge")

Local Land Use Policies. Effects would be similar to, but less extensive than, those under Alternative 2.

Agricultural Effects. Annual displacement of crop production value is estimated at \$6.8 million, primarily in Solano County. Up to 3,590 acres of prime farmland would be converted to wildlife refuge.

Regional Economic Effects. Losses of farm-related jobs would be largely, but not completely, offset by new jobs related to refuge management and recreation. The net total regional employment loss is estimated at 26 full- and part-time jobs. Effects would be concentrated in local farm-related businesses.

Fiscal Effects. Property tax revenues and Williamson Act subvention payments would decline by an estimated \$148,800 per year. All but \$15,800 of this loss is expected to be offset by federal revenue-sharing payments.